



Commonwealth of Massachusetts
Executive Office of Health and Human Services
Office of Medicaid
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Eligibility Operations Memo 08-08
May 15, 2008

TO: MassHealth Eligibility Operations Staff

FROM: Russ Kulp, Director, MassHealth Operations

RE: **Premium Billing Changes: Nonpayment of MassHealth, Commonwealth Care, and Children's Medical Security Plan (CMSP) Premiums**

Introduction

Effective June 2008, MassHealth will begin to use an automated process with the Premium Billing Unit at MassHealth Customer Service. New MA21 logic supports the automated process to close members who have not paid their past-due MassHealth or Children's Medical Security Plan (CMSP) premiums. Commonwealth Care members who have not paid their past-due Commonwealth Care premiums will continue to be processed manually.

MA21 logic allows members who have not paid their MassHealth, Commonwealth Care, or CMSP premiums to be covered under certain categories of assistance or be closed, whichever is appropriate, as explained below.

MA21 maintenance and query options have a new household person event, NPP – Nonpayment Premium, to be used for MassHealth, Commonwealth Care, and CMSP premium billing.

MA21 System

The new household person event, NPP, will be used to apply nonpayment indicators to the household for failure to pay a MassHealth, Commonwealth Care, or CMSP premium. Certain Central Office staff will be authorized to apply or remove a nonpayment indicator.

The following obsolete administrative action reasons have been removed from the Administrative Action (ADM) event.

- 17 – CMSP closed for nonpayment
- 86 – MassHealth closed for nonpayment
- C1 – Commonwealth Care closed for nonpayment

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**Eligibility
Determinations**

Previously, the nonpayment of premium administrative actions for MassHealth and Commonwealth Care closed the member. With the new MA21 logic, members displayed in the NPP event may or may not be closed if their circumstances have changed. If there is no change in circumstances, the member will be closed for nonpayment of premiums.

Members in a household who have a nonpayment of a **MassHealth** premium indicator (Standard, CommonHealth, or Family Assistance premiums) may be determined eligible for a nonpremium MassHealth or nonpremium Commonwealth Care category, if the household meets the other eligibility requirements. These members **will not** be determined eligible for any MassHealth or Commonwealth Care category that has a premium.

Members in a household who have a nonpayment of a **Commonwealth Care** premium indicator may be determined eligible for any MassHealth category or a nonpremium Commonwealth Care category, if the household meets the other eligibility requirements. These members **will not** be determined eligible for any Commonwealth Care category that has a premium.

Members in a household who have a nonpayment of a **CMSP** premium indicator may be determined eligible for any MassHealth or Commonwealth Care category, if the household meets the other eligibility requirements.

A member with **any** nonpayment of premium indicator is not eligible for CMSP or the Health Safety Net (HSN).

See the Premium Billing Matrix, attached to this memo, for more information about which categories an individual with a nonpayment of premium indicator might be eligible for.

Referral Process

When a household is 60 days past due for their MassHealth or CMSP premium, MA21 will receive an electronic referral for nonpayment of premium from the MassHealth Premium Billing Unit and the household will be redetermined. If circumstances have changed, the member may qualify for a nonpremium-paying benefit. If circumstances have not changed, the member will be closed.

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**Referral Process
(cont.)**

When the MassHealth or CMSP premium has been paid and the account is current, MA21 will receive an electronic referral for reinstatement from the MassHealth Premium Billing Unit at MassHealth Customer Service. The household will be redetermined and reopened, if applicable.

Application of indicators for nonpayment of Commonwealth Care premiums and reinstatement of these cases will continue to be a manual process using the new NPP event.

**State Intercept
Program (SIP)**

MassHealth will refer any member with a premium balance that is more than 150 days overdue to the Massachusetts State Intercept Program (SIP). SIP is part of the Office of the Comptroller. SIP's function is to discharge debt owed to the state from funds that are owed to or scheduled to be paid to the debtor. For example, the overdue premium would be deducted from a tax refund. For more information about SIP, please see M.G.L. c. 62D.

**Member
Questions**

Members with questions about **MassHealth or CMSP** premium payments, payment plans, or hardship waivers can call
MassHealth Customer Service: 1-800-841-2900 (TTY:
1-800-497-4648 for people with partial or total hearing loss)

Members with questions about **Commonwealth Care** premiums can call
Commonwealth Care Customer Service: 1-877-MA-ENROLL
(1-877-623-6765) (TTY: 1-877-623-7773 for people with partial or
total hearing loss)

Attachment

Please find attached to this memo the Premium Billing Matrix.

Questions

If you have any questions about this memo, please have your MEC designee contact the Policy Hotline.

Premium Billing Matrix

The following chart shows which categories of assistance an individual may qualify for when he or she has been previously closed in a premium-paying benefit but meets eligibility criteria for a new category of assistance due to changes in circumstances.

A “Yes” indicates that eligibility for the new category of assistance will be allowed when the member has previously been closed for nonpayment of a MassHealth, Commonwealth Care, or CMSP premium. A “No” indicates that the member will not be determined eligible for the new category of assistance while there is an outstanding premium balance.

NOTE: This matrix is valid for two years from the date of termination (closing date for failure to pay premiums). After two years, the member's debt will have been written off.

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